Assembly Bill No. 2918

CHAPTER 648

An act relating to desalination facilities.

[Approved by Governor September 21, 2004. Filed with Secretary of State September 21, 2004.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2918, Laird. Desalination facilities.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations and water corporations. Existing law authorizes the commission to fix just and reasonable rates and charges for all public utilities.

The existing Cobey-Porter Saline Water Conversion Law authorizes the Department of Water Resources, either independently or in cooperation with public or private entities, to conduct a program of investigation, study, and evaluation in the field of saline water conversion, to provide assistance to persons or entities seeking to construct desalination facilities, and after submission of a written report and upon appropriation from the Legislature, to finance, construct, and operate saline water conversion facilities.

This bill would require the commission to evaluate the interrelationship between the commission's electricity policies and water policies as they relate to saline water conversion through ocean desalination, and to report to the Governor and the Legislature, on or before January 1, 2006, on the balance between electricity ratepayers and water ratepayers. The commission would be required to invite the Department of Water Resources, the State Water Resources Control Board, the Department of Fish and Game, the State Energy Resources Conservation and Development Commission, and the California Coastal Commission, to participate in the evaluation.

The people of the State of California do enact as follows:

SECTION 1. The Public Utilities Commission shall evaluate the interrelationship between the commission's electricity policy and water policy as it relates to saline water conversion through ocean desalination and shall report to the Governor and the Legislature by January 1, 2006, on the balance between the interests of electricity and water ratepayers. The commission shall invite the Department of Water Resources, the State Water Resources Control Board, the Department of Fish and

Ch. 648 — 2 —

Game, the State Energy Resources Conservation and Development Commission, and the California Coastal Commission, to participate in the evaluation.